

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

INGERSOLL-RAND COMPANY,

Plaintiff,

v.

CENTURY INDEMNITY COMPANY (as
successor to CCI Insurance Company,
successor to Insurance Company of North
America),

Defendant.

Case No. 07-CV-4825 (LTS)(THK)

**AFFIDAVIT OF DANIEL L. WEIKER IN
OPPOSITION TO DEFENDANT'S
DISMISSAL MOTION**

State of New Jersey)
) ss:
County of Bergen)

Daniel L. Weiker, being duly sworn, deposes and says:

1. I am the Complex Claims Manager at Ingersoll-Rand Company ("Ingersoll Rand"). My responsibilities include coordinating with Ingersoll Rand's insurers the payment and/or reimbursement of defense and indemnity costs arising from asbestos-related claims against Ingersoll Rand ("Asbestos Claims"). I am fully familiar with the facts set forth herein.

2. I submit this Affidavit in support of Ingersoll Rand's opposition to Century Indemnity Company's ("Century") motion to stay or dismiss this action in favor of Century's action pending in the Superior Court of New Jersey, Bergen County.

3. Attached hereto as Exhibit A is a true copy of Century's 1966 excess liability policy, policy number XBC 1904, issued for the periods from January 1, 1966 to January 1, 1969 ("1966 Century Policy").

4. Attached hereto as Exhibit B is a true copy of Century's 1969 excess liability policy, policy number XBC 42188, issued for the periods from January 1, 1969 to January 1,

1972, subsequently extended for an additional period from January 1, 1972 to February 15, 1972 (“1969 Century Policy,” and together with the 1966 Century Policy, the “Century Policies”).

5. At the time Century sold the Century Policies, Ingersoll-Rand maintained its principal place of business at 11 Broadway, New York, New York. *See, e.g.*, Exh. C.

6. Ingersoll Rand purchased the Century Policies through the New York insurance producer formerly known as Marsh & McLennan, Inc. *See* Exhs. A and B.

7. The Bergen County courts handle no Asbestos Claims, and no Bergen County resident acts as an Asbestos Claims plaintiff.

8. Attached hereto as Exhibit D is a true copy of Ingersoll-Rand’s Asbestos Claims Monthly Report for May 2007.

9. Ingersoll Rand litigates a total of 102,310 Asbestos Claims, of which Ingersoll Rand litigates 19,458 (approximately 20%) in New York and only 305 (3/10 of 1%) in New Jersey. *See* Exhibit D.

10. Ingersoll Rand has incurred millions of dollars of indemnity and defense costs arising from the Asbestos Claims. Ingersoll Rand’s New York Asbestos Claims, to date, give rise to 24% of Ingersoll-Rand’s asbestos-related indemnity costs, while Ingersoll Rand’s New Jersey Asbestos Claims, to date, give rise to only 1% of Ingersoll Rand’s asbestos-related indemnity costs.

11. Century refuses to reimburse Ingersoll Rand for asbestos-related indemnity and defense costs exceeding approximately \$25 million. Century, therefore, refuses to reimburse Ingersoll Rand for any post-July 2006 indemnity costs.

12. At a July 17, 2006 New York dinner among Century representative Malcolm Myers and Ingersoll Rand representatives John Clary (Director, Products Liability), John

Fromholtz (Director of Risk Management) and myself, Ingersoll Rand again rejected the Century settlement proposal allegedly memorialized in the draft settlement agreement attached to Century's Complaint. See Exhibit A to Century's Memorandum of Law in Support of Its Motion to Dismiss. Mr. Myers acknowledged Ingersoll Rand's position and concluded the discussion by stating he hoped to resolve the dispute amicably.

13. As of July 19, 2006 -- the date Century initially filed the Complaint in its New Jersey state court action -- Century had paid less than \$23 million, under the Century Policies, in indemnity and defense costs arising from the Asbestos Claims. Century paid such costs between, at the earliest, 60 and 90 days after receiving Ingersoll Rand's bills. Century, therefore, would not have paid \$25 million, the minimum liability limits available under the Century Policies for the Asbestos Claims, until October or November 2006.



Daniel L. Weiker

Sworn and Subscribed to
before me this 5 day of July, 2007


NOTARY PUBLIC

DEBORAH HESSLER-WELCH
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 10/7/2008

EXHIBIT A



Insurance Company of North America

PHILADELPHIA, PENNSYLVANIA S.O.-New York - 505
Marsh & McLennan, Inc.
380094-0 XBC-1904

DUPLICATE

CERTIFICATE OF EXCESS INSURANCE NO.

Certificate of excess insurance issued by INSURANCE COMPANY OF NORTH AMERICA (herein called the company) to: { Name: Ingersoll-Rand Company (herein called the insured).
Address: 11 Broadway, New York City, New York

A. WHEREAS, See Endorsement No. 2 attached (herein called the primary carrier(s)) has/have issued to the insured a policy(ies) of insurance being identified as:
Type of Policy Policy Number Policy Period

See Endorsement No. 2 attached

(which policy(ies), including renewals or replacements thereof on the same basis, is/are herein called the primary insurance) and providing coverage described in Column I of the Description of Coverage below:

Description of Coverage			
COLUMN I		COLUMN II	COLUMN III
Primary Insurance	Limits & Application	Excess Limits	Total Limits

See Endorsement Nos. 2 and 3 attached

(With respect to each coverage, the bodily injury limit applicable per accident is subject to the limit specified as applicable to each person. There is no limit to the number of accidents for which claims may be brought hereunder, provided such accidents occur during the term of this certificate, except as provided by aggregate limits which, when inserted in Column II, apply to all accidents during each certificate year.)

B. NOW, this certificate is further to indemnify the insured, in accordance with the applicable insuring agreements of the primary insurance, against excess loss as specified in Column II above, as fully and to all intents and purposes as though the primary insurance, including any endorsements issued to form a part thereof, had been issued for the limits set forth in Column III above, and as though the company had assumed and insured the upper limits of the primary insurance, to wit: the amounts specified in Column II which apply in excess of the amounts specified in Column I.

C. The premium due the company upon acceptance of this certificate shall be \$ ~~1200.00~~ computed as follows:

12,000

Flat Charge for Policy Period

Minimum Annual Premium \$**Minimum Premium \$ 500.00.**

(Fixed premiums, subject to applicable minimum premiums, shall not be subject to adjustment except in the event of cancellation of this certificate. Copies of audits of premiums earned under the primary insurance shall also be given to the company insofar as such audits relate to the premium for this certificate.)

D. Notwithstanding anything in this certificate or the primary insurance to the contrary, it is agreed that:

(1) The following endorsement(s) is/are attached hereto and made a part hereof at inception:

(a) No. 1—Nuclear Energy Liability Exclusion Endorsement (Form LC-346).

No. 2 - Schedule of Underlying Policies

No. 3 - Limit of Liability Endorsement

E. It is agreed that:

(1) The insurance afforded by this certificate shall, except as herein stated, follow that of the primary insurance in all respects, including (a) changes by endorsement which in any manner affect this excess insurance, (b) notice of accident, if in the insured's opinion such accident is likely to involve liability on the part of the company and (c) adjustment and settlement or defense of claims, suits or proceedings. Anything in this certificate or in the primary insurance to the contrary notwithstanding, the company shall not be called upon to assume charge of the settlement or defense of any claim or suit brought or proceeding instituted against the insured but the company shall have the right and shall be given the opportunity to associate with the insured in the defense or control of any claim, suit, or proceeding relative to an accident where the claim, suit or proceeding involves, or appears reasonably likely to involve, the company in which event the insured and the company shall cooperate in all things in the defense of such claim, suit or proceeding. Should any claim, suit or proceeding arise, appearing likely to involve the company, no obligation shall be incurred on behalf of the company without its consent being first obtained.

(2) The insurance afforded by this certificate shall not apply to expense for which insurance is provided in the primary insurance.

(3) The company shall be furnished with copies of the primary insurance and shall be furnished from time to time with copies of all endorsements thereto which in any manner affect this excess insurance as soon as practicable following the issuance of such endorsements.

(4) This certificate may be canceled by the insured by surrender thereof to the company or any of its authorized agents, or by mailing to the company written notice stating when thereafter such cancellation shall be effective, it being agreed, however, that in the event of cancellation or termination of the primary insurance, this certificate, to the extent of such cancellation or termination, shall cease to apply at the same time without notice to the insured. This certificate may be canceled by the company by mailing to the first named insured at the address shown in this certificate written notice stating when, not less than Ten (10) days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the term of this certificate. Delivery of such written notice either by the insured or by the company shall be equivalent to mailing.

(5) The term of this certificate, unless otherwise canceled or terminated, shall be from January 1, 1966 to January 1, 1969, 12:01 A.M., standard time, at the address of the insured as stated herein.

IN WITNESS WHEREOF, INSURANCE COMPANY OF NORTH AMERICA has caused this certificate to be signed by its president and secretary at Philadelphia, Pennsylvania, and countersigned by a duly authorized agent of the company.

J. K. Eisberg
Secretary

Madison M. Smith Jr.
President

Countersigned:

Authorized Agent.

LC-358a 4-23-62 Printed in U.S.A.



INSURANCE COMPANY OF NORTH AMERICA

ENDORSEMENT NO. 2

In consideration of the premium charged, it is agreed that the schedule of prior excess policies and limits, including renewals thereof, is as follows:

<u>Carrier, Policy Number & Period</u>	<u>Type of Policy</u>	<u>Applicable Limits</u>
Home Ins. Co. HEC-954-48-90 1/1/66 - 1/1/69	Excess Umbrella Liability	\$ 5,000,000. Bodily Injury Liability and Property Damage Liability or both combined, Per Occurrence, Excess of Primary Underliers

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date	Jan. 1, 1966	at the hour specified in the policy.	Part of Policy No.
Issued to	Ingersoll-Rand Company		XBC-1904

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
INSURANCE COMPANY OF NORTH AMERICA

H. Richard Hilman
President



INSURANCE COMPANY OF NORTH AMERICA

ENDORSEMENT NO. 3LIMIT OF LIABILITY ENDORSEMENT

This certificate shall further indemnify the "Insured" against loss in excess of the limits afforded by the "Primary" policies set forth on Endorsement No. 2 during the term of this certificate which the "Insured" may sustain because of Bodily Injury to or the death of any person or persons, and injury to or destruction of property in accordance with the applicable Insuring Agreement of the "Primary" policies, but in no event shall the "Company's" Limit of Liability under this certificate for loss because of such Bodily Injury to or the death of any person or persons, or injury to or destruction of property, or both combined, exceed \$10,000,000. (Ten Million Dollars) on account of any one occurrence or accident.

There is no limit to the number of occurrences during the policy period for which claims may be made, except that the liability of the company arising out of the products hazard on account of all occurrences during each policy year shall not exceed \$10,000,000.

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date	Jan. 1, 1968	at the hour specified in the policy.	Part of Policy No. XBC-1904
Issued to	Ingersoll-Rand Company		

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
INSURANCE COMPANY OF NORTH AMERICA

C-1661

H. Richard Heilman
President

EXHIBIT B



3/4/jk

Insurance Company of North America

PHILADELPHIA, PENNSYLVANIA, S.O. New York - 505
Marsh & McLennan, Inc. 380094

CERTIFICATE OF EXCESS INSURANCE NO. XBC 42188
Renewing XBC 1904

Certificate of excess insurance issued by INSURANCE COMPANY OF NORTH AMERICA (herein called the company) to: { Name: **Ingersoll-Rand Company**
(herein called the insured).
{ Address: **11 Broadway, New York City, New York**

A. WHEREAS, See Endorsement No. 2 attached (herein called the primary carrier(s)) has/hav issued to the insured a policy(ies) of insurance being identified as:

Type of Policy

Policy Number

Policy Period

See Endorsement No. 2 attached

(which policy(ies), including renewals or replacements thereof on the same basis, is/are herein called the primary insurance) and providing coverage described in Column I of the Description of Coverage below:

Description of Coverage

COLUMN I	COLUMN II	COLUMN III
Primary Insurance	Excess Limits	Total Limits
Limits & Application		

See Endorsement Nos. 2 and 3 attached

Renewal Copy *Revised Form*
Original

3/18/69

(With respect to each coverage, the bodily injury limit applicable per accident is subject to the limit specified as applicable to each person. There is no limit to the number of accidents for which claims may be brought hereunder, provided such accidents occur during the term of this certificate, except as provided by aggregate limits which, when inserted in Column II, apply to all accidents during each certificate year.)

B. NOW, this certificate is further to indemnify the insured, in accordance with the applicable insuring agreements of the primary insurance, against excess loss as specified in Column II above, as fully and to all intents and purposes as though the primary insurance, including any endorsements issued to form a part thereof, had been issued for the limits set forth in Column III above, and as though the company had assumed and insured the upper limits of the primary insurance, to wit: the amounts specified in Column II which apply in excess of the amounts specified in Column I.

C. The premium due the company upon acceptance of this certificate shall be \$15,000.00 computed as follows:

Flat Charge For Policy Period

Minimum Annual Premium \$

Minimum Premium \$ 500.00

(Fixed premiums, subject to applicable minimum premiums, shall not be subject to adjustment except in the event of cancellation of this certificate. Copies of audits of premiums earned under the primary insurance shall also be given to the company insofar as such audits relate to the premium for this certificate.)

D. Notwithstanding anything in this certificate or the primary insurance to the contrary, it is agreed that:

E. It is agreed that:

(1) The insurance afforded by this certificate shall, except as herein stated, follow that of the primary insurance in all respects, including (a) changes by endorsement which in any manner affect this excess insurance, (b) notice of accident, if in the insured's opinion such accident is likely to involve liability on the part of the company and (c) adjustment and settlement or defense of claims, suits or proceedings. Anything in this certificate or in the primary insurance to the contrary notwithstanding, the company shall not be called upon to assume charge of the settlement or defense of any claim or suit brought or proceeding instituted against the insured but the company shall have the right and shall be given the opportunity to associate with the insured in the defense or control of any claim, suit, or proceeding relative to an accident where the claim, suit or proceeding involves, or appears reasonably likely to involve, the company in which event the insured and the company shall operate in all things in the defense of such claim, suit or proceeding. Should any claim, suit or proceeding arise, appearing likely to involve the company, no obligation shall be incurred on behalf of the company without its consent being first obtained.

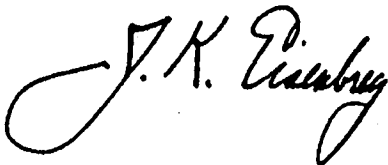
(2) The insurance afforded by this certificate shall not apply to expense for which insurance is provided in the primary insurance.

(3) The company shall be furnished with copies of the primary insurance and shall be furnished from time to time with copies of all endorsements thereto which in any manner affect this excess insurance as soon as practicable following the issuance of such endorsements.

(4) This certificate may be canceled by the insured by surrender thereof to the company or any of its authorized agents, or by mailing to the company written notice stating when thereafter such cancellation shall be effective, it being agreed, however, that in the event of cancellation or termination of the primary insurance, this certificate, to the extent of such cancellation or termination, shall cease to apply at the same time without notice to the insured. This certificate may be canceled by the company by mailing to the first named insured at the address shown in this certificate written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the term of this certificate. Delivery of such written notice either by the insured or by the company shall be equivalent to mailing.

(5) The term of this certificate, unless otherwise canceled or terminated, shall be from January 1, 1969 to January 1, 1972, 12:01 A.M., standard time, at the address of the insured as stated herein.

IN WITNESS WHEREOF, INSURANCE COMPANY OF NORTH AMERICA has caused this certificate to be signed by its president and secretary at Philadelphia, Pennsylvania, and countersigned by a duly authorized agent of the company.


Secretary


President

Countersigned:

Authorized Agent.



INSURANCE COMPANY OF NORTH AMERICA

A.P. \$1066.00

In consideration of an additional premium of \$1066.00
it is agreed that the expiration date of the policy
is amended to read: 2/15/72.

26, 574, 841

4/21/72

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date

1/1/72

at the hour specified in the policy.

Part of Policy No.

XBC 42188

Issued to

Ingersoll-Rand Company

3/30 1r
Marsh & McLennan, Inc.
505 Comm. 10%

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
INSURANCE COMPANY OF NORTH AMERICA

1762A 175M 5/77 Ptd. in U.S.A.

Charles K. Cox
Pres.

AGENT'S COPY



INSURANCE COMPANY OF NORTH AMERICA

ENDORSEMENT NO. 3LIMIT OF LIABILITY ENDORSEMENT

This certificate shall further indemnify the "Insured" against loss in excess of the limits afforded by the "Primary" policies set forth on Endorsement No. 2 during the term of this certificate which the "Insured" may sustain because of Bodily Injury to or the death of any person or persons, and injury to or destruction of property in accordance with the applicable Insuring Agreements of the "Primary" policies, but in no event shall the "Company's" Limit of Liability under this certificate for loss because of such Bodily Injury to or the death of any person or persons, or injury to or destruction of property, or both combined, exceed \$10,000,000. (Ten Million Dollars) on account of any one occurrence or accident.

There is no limit to the number of occurrences during the policy period for which claims may be made, except that the liability of the company arising out of the products hazard on account of all occurrences during each policy year shall not exceed \$10,000,000.

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above set forth.

Effective Date	January 1, 1969	at the hour specified in the policy.	Part of Policy No.
Issued to	Ingersoll-Rand Company		
			XBC 42188

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
INSURANCE COMPANY OF NORTH AMERICA

C-1661

Charles K. Co.
Pres.



INSURANCE COMPANY OF NORTH AMERICA

ENDORSEMENT NO. 2

In consideration of the premium charged, it is agreed that the schedule of prior excess policies and limits, including renewals thereof, is as follows:

Carrier, Policy
Number & Period

Home Insurance Co.
HEC-954-48-90
1/1/66 to 1/1/69 ✓

Type of
Policy

Excess
Umbrella
Liability ✓

Applicable Limits
of Liability

\$5,000,000. Bodily Injury
Liability and Property
Damage Liability or both
combined, Per Occurrence,
Excess of Primary
Underliers ✓

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date

January 1, 1969

at the hour specified in the policy.

Part of Policy No.

Issued to

Ingersoll-Rand Company

XBC 42188 ✓

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
INSURANCE COMPANY OF NORTH AMERICA

C-1661

Charles K. Cox
President

COUNTERSIGNATURE ENDORSEMENT

FOR THE STATE OF New Jersey

This is to certify that the policy of insurance to which this endorsement is attached represents business in the above State transacted through the below named resident agent licensed by the Insurance Department of said State, and that such agent, whose name is signed below this certificate, is duly licensed to act as such for this Company in said State.

INSURANCE COMPANY OF NORTH AMERICA

H. Richard Heilman
President

I hereby certify that I am a resident agent, licensed by the State of New Jersey

to act for the above named Company in said State, and that I sign this endorsement at Newark City

New Jersey State, on the 1st day of January, 19 69

Attached to Policy No. XBC 42188, issued to Ingersoll-Rand Company

Name of Assured

2108

3-30-61

Authorized Agent



INSURANCE COMPANY OF NORTH AMERICA

In consideration of the premium charged Endorsement

No. 2 is amended to read as follows:

<u>Carrier Policy Number & Period</u>	<u>Type of Policy</u>	<u>Applicable Limits of Liability</u>
Home Insurance Co.	Excess	\$5,000,000.00 Bodily Injury
HEC 9664310	umbrella	Liability and Property Damage
1-1-69 to 1-1-72	Liability	Liability or both combined, Per Occurrence, Excess of Primary underliers

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date	<u>1-1-69</u>	at the hour specified in the policy.	Part of Policy No.
Issued to	<u>Ingersoll-Rand Company</u>		
			<u>XBC 42188</u>

vf 5-6-69



INSURANCE COMPANY OF NORTH AMERICA

In consideration of an additional premium of \$3000.00
 it is agreed that the policy is extended to include the follo
 entity as named insured:

The Torrington Company
 Torrington, Connecticut

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated

Effective Date	1-1-69	at the hour specified in the policy.	Part of Policy No. XBC 42168
Issued to	Ingersoll-Rand Company		

vr 5-6-69

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
 INSURANCE COMPANY OF NORTH AMERICA

C-1762 100M 10-9-67 Ptd. in U.S.A.

Charles K. Cox
 President



INSURANCE COMPANY OF NORTH AMERICA

In consideration of the increased exposures resulting from the acquisition of the Torrington Company an additional premium of \$3,000.00 is charged hereunder.

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date

1/1/69

at the hour specified in the policy.

Part of Policy No.

XBC 42188

Issued to

Ingersoll-Rand Company

6/23/69 HB

Authorized Agent

Not valid unless countersigned by a duly authorized agent of the
INSURANCE COMPANY OF NORTH AMERICA

C-6762 100M 10-23-68 Ptd. in U.S.A.

Charles K. Cor
President

EXTRA COPY



INSURANCE COMPANY OF NORTH AMERICA

In consideration of an additional premium of ~~\$6,472.00~~ ^{16,472.00} it is agreed that endorsement No. 3 is amended to read as follows:

Endorsement No. 3
Limit of Liability Endorsement

This certificate shall further indemnify the "Insured" against loss in excess of the limits afforded by the "primary" policies set forth on Endorsement No. 2 during the term of this certificate which the "Insured" may sustain because of Bodily Injury to or the death of any person or persons, and injury to or destruction of property in accordance with the applicable Insuring Agreements of the "Primary" policies, but in no event shall the "Company's" Limit of Liability under this certificate for loss because of such Bodily Injury to or the death of any person or persons, or injury to or destruction of property, or both combined, exceed \$15,000,000 (Fifteen Million Dollars) on account of any one occurrence or accident.

There is no limit to the number of occurrences during the policy period for which claims may be made, except that the liability of the company arising out of the products hazard on account of all occurrences during each policy year shall not exceed \$15,000,000 (Fifteen Million Dollars)

PR.
 8,000 x 1826 = 14,608.50
 7/10/69 - 1/1/72

809

Nothing herein contained shall vary, alter or extend any provision or condition of the policy other than as above stated.

Effective Date	7-10-69	at the hour specified in the policy.	Part of Policy No.
Issued to	Ingersoll-Rand Company, et al		
			XBC 42123

8-28-69 TR

Authorized Agent

Charles K. Cox
 President.

Not valid unless countersigned by a duly authorized agent of the
 INSURANCE COMPANY OF NORTH AMERICA

EXHIBIT C

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-K

REC'D-S.E.C.

MAY 2 - 1968

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1968 Commission file number

INGERSOLL - RAND COMPANY

(Incorporated in New Jersey)

I.R.S. Employer Identification No. - 13-5156640

11 Broadway, New York, N.Y. 10004

Securities registered pursuant to Section 12 (b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Preferred stock of \$100 par value (6% cumulative)	New York Stock
Preference stock without par value (\$2.35 convertible)	New York Stock
Common stock of \$2 par value	New York Stock



Item 2. Increases and decreases in outstanding equity securities for the year ended December 31, 1968:

	Preference	Common		Stock
	Stock Shares	Number of shares issued	Less Shares held in Treasury	Number of shares Outstanding
Beginning of year		13,569,556	104,456	13,464,700
October 24-Issuance of treasury shares to effect pooling of interests with the Gleasner Corporation			14,546	14,546
Various dated-shares exercised under stock option plan		103,052		103,052
Pro forma issuance of previously unissued shares to effect pooling of interests with the Torrington Company (Note 2)	3,271,895	1,308,758		1,308,758
End of year	3,271,895	14,981,366	90,310	14,891,056

Item 3. Subsidiaries of registrant:

Ingersoll-Rand Company (New Jersey) - registrant and parent company

Subsidiaries of registrant: -

The following is a list of subsidiaries of the registrant all of which are 100% owned, directly or indirectly, and whose financial statements are included in the consolidated statements:

247 Equipment Company, Inc. (Delaware)
Athens Foundry Corporation (Pennsylvania)
The Henry H. Meyer Co., Inc. (Delaware)
The Improved Machinery, Inc. (Delaware)
IMPCO Plastic Machinery Limited (Canada)
She-brooke Machineries, Limited (Canada)
I-R Equipment Corporation (Delaware)
Ingersoll-Rand Research, Inc. (Delaware)
Lawrence Manufacturing Company (Delaware)
Lee-Norse Company (Delaware)
Loggers & Contractors Machinery Company (Oregon)
McCartney Manufacturing Company, Inc. (Kansas)
Millers Falls Company (Massachusetts)
Millers Falls of Canada Ltd. (Canada)
Union Tool Company (Massachusetts)
Pendleton Tool Industries, Inc. (Delaware)
Vlchek Plastics Company (Ohio)
Proto Tools of Canada, Ltd. (Canada)
Southwest Industries, Inc. (Delaware)
Southwest Industries of Texas, Inc. (Oklahoma)
Southwest International Corp. (Texas)
Southwest Engineers of Texas, Inc. (Texas)
Thalman Equipment Corporation (New York)
The Gleasner Corporation (New York)
Air Equipment Service, Inc. (New York)
Ingersoll-Rand Western Hemisphere Trade Corporation (Delaware)
The Torrington Company (Maine)
The Torrington Company (Massachusetts)
The Torrington Company (Pennsylvania)
The Torrington Company, Inc. (New York)

The Torrington Company Limited (England)
 Torrington GmbH (Germany)
 Torrington S.p.A. (Italy)
 Torrington Sales Limited (Switzerland)
 Engico, S.A. (Belgium)
 Torrington Espanola, S.A. (Spain)
 Torrington France S.A.R.L. (France)
 Torrington Portuguesa S.A.R.L. (Portugal)
 Canadian Ingersoll-Rand Company, Limited (Canada)
 Sherbrooke Pneumatic Tool Co. Limited (Canada)
 Ingersoll-Rand World Trade Limited (Bermuda)
 Ingersoll-Rand Aktiebolag (Sweden)
 Ingersoll-Rand Italiana S.p.A. (Italy)
 Ingersoll-Rand Ges.m.b.H., Vienna (Austria)
 (30% owned by Athens Foundry Corporation)
 Ingersoll-Rand S.A., Fribourg (Switzerland)
 Ingersoll-Rand G.m.b.H. (Germany)
 Ingersoll-Rand (Australia) Proprietary Limited (Australia)
 Ingersoll-Rand Malaysia Limited (Malaysia)
 Ingersoll-Rand Benelux S.A. (Belgium)
 Ingersoll-Rand A/S - Copenhagen (Denmark)
 Ingersoll-Rand Company Limited (England)
 Ingersoll-Rand Hire Limited (England)
 Ingersoll-Rand Company (Ireland) Limited (Ireland)
 Ingersoll-Rand (NZ) Limited (New Zealand)
 Compagnie Ingersoll-Rand S.A. - Paris (France)
 Ingersoll-Rand (India) Private Limited (India)
 Ingersoll-Rand Japan, Ltd. (Japan)
 Ingersoll-Rand de Mexico, S.A. (Mexico)
 Ingersoll-Rand Company of Peru S.A. (Peru)
 Ingersoll-Rand Philippines, Inc. (Philippines)
 Ingersoll-Rand de Puerto Rico, Inc. (Puerto Rico)
 Ingersoll-Rand Limitada (Portugal)
 Compania Ingersoll-Rand S.A. - Madrid (Spain)
 Ingersoll-Rand Company South Africa (Proprietary) Limited
 (South Africa)
 Ingersoll-Rand de Venezuela, S.A. (Venezuela)
 Ingersoll-Rand Limited (Zambia)

Note - There are omitted from the foregoing list the names of six domestic and foreign subsidiaries not included in the consolidated financial statements. The six subsidiaries, considered in the aggregate as a single subsidiary, do not constitute a significant subsidiary.

Item 10. Financial statements and exhibits:

- (a) Financial statements. See index included with accompanying financial statements.
- (b) Exhibits. None.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

INGERSOLL-RAND COMPANY

(Registrant)

BY

J. J. Mc Fadden
J. J. Mc Fadden
 J. J. Mc Fadden
 Comptroller

DATE

Apr. 23, 1969



PRICE WATERHOUSE & CO.

60 BROAD STREET

NEW YORK 10004

February 27, 1969

OPINION OF INDEPENDENT ACCOUNTANTS

To the Shareowners of
Ingersoll-Rand Company

In our opinion, the statements listed in the accompanying index of this report present fairly the financial position of Ingersoll-Rand Company and its consolidated subsidiaries at December 31, 1968 and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

Price Waterhouse JS-

Ingersoll-Rand Company and consolidated subsidiaries: -
Consolidated balance sheet, December 31, 1968

Consolidated statement of income for the year ended
December 31, 1968

Consolidated statement of retained earnings for the year
ended December 31, 1968

Consolidated statement of changes in common stock and capital
in excess of par value

Notes to consolidated financial statements, December 31, 1968

Schedules:

- V - Property, plant and equipment
- VI - Reserves for depreciation and amortization

Omitted schedules and statements and reasons for omission:
All other schedules have been omitted because they are not
applicable or the required information is shown in the
financial statements or the notes thereto.

Individual financial statements of the registrant have been
omitted because the registrant is primarily an operating
company and all subsidiaries included in the consolidated
financial statements are deemed to be totally held
subsidiaries. Long term debt of subsidiaries amounting to
\$12,379,000 not guaranteed by the registrant amounts to
2.0% of the total consolidated assets.

Separate financial statements of nonconsolidated subsidiaries,
have been omitted since, considered in the aggregate as a
single subsidiary, they do not constitute a significant sub-
sidiary.



Assets

Current Assets:

Cash		\$ 11,316,000	
Marketable securities, at cost			
which approximates market			
value			17,973,000
Trade accounts receivable	\$133,827,000		
Trade notes receivable	31,956,000		
Sundry accounts receivable	3,538,000		
	<u>169,321,000</u>		
Less - Allowance for doubtful			
accounts (Note 4)	2,559,000		166,762,000
Inventories, at the lower of cost			
or market (Note 3)			<u>252,544,000</u>
Total current assets			448,595,000

Investments:

Securities of subsidiaries not consolidated (Note 1)	6,341,000	
Due from subsidiaries not consolidated	715,000	
Other, at cost, including 90,310 treasury		
shares acquired for specific purpose	<u>5,688,000</u>	12,744,000

Property, plant and equipment, at cost
(Schedules V and VI):

Buildings and distribution systems	68,435,000	
Machinery, equipment, etc.	<u>206,186,000</u>	
	<u>274,621,000</u>	
Less - Accumulated depreciation (Note 5)	137,716,000	
	<u>136,905,000</u>	
Land	<u>7,832,000</u>	144,737,000
Deferred charges		<u>5,870,000</u>

Liabilities

Current Liabilities:

Loans payable, banks	\$ 39,411,000	
Notes payable, trade	1,097,000	
Accounts payable, trade	28,963,000	
Accrued payrolls	10,226,000	
U.S. federal and foreign taxes on income	21,271,000	
Accrued taxes, other than income	6,869,000	
Dividend on preferred stock payable		
January 3, 1969	76,000	
Customers' advance payments on orders	10,338,000	
Other current liabilities	<u>17,572,000</u>	
Total current liabilities		\$135,823,000
Long-term debt (Note 9)		81,265,000
Pension reserves of subsidiaries (Note 7)		3,615,000
Capital stock: - (Note 2)		
Preferred stock (6% cumulative):		
Authorized and issued-25,255 shares \$100 par value	2,525,000	
Preference stock		
Authorized-10,000,000 shares, without par value		
Issued-3,271,895 shares, \$2.35 Convertible Series	5,562,000	
Common stock		
Authorized-30,000,000 shares \$2 par value		
Issued-14,981,366 shares	<u>29,963,000</u>	
Capital in excess of par value per annexed statement		38,050,000
Earnings retained for use in the business,		25,552,000
per annexed statement		<u>327,641,000</u>
		<u>\$611,946,000</u>

FOR THE YEAR ENDED DECEMBER 31, 1968

Net Sales	\$ 641,28
Cost of Goods sold (Note 3)	399,21
Administrative and service engineering expenses	<u>115,91</u>
Operating income	126,07
Other income, including interest income of approximately \$4,000,000	5,91
Other charges, substantially all interest expense	<u>5,81</u>
Earnings before income taxes	126,18
Provision for income taxes:	
Domestic	51,31
Foreign and other	<u>11,41</u>
Net earnings for the year	<u>63,31</u>
Net earnings per share of common stock	\$

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1968

Earnings retained for use in the business at beginning of year as previously reported	\$ 225,40
Adjustments resulting from accounting for 1968 poolings of interests	<u>75,17</u>
Earnings retained for use in the business at beginning of year as restated	300,57
Net earnings for the year	<u>63,31</u>
	<u>363,96</u>
Cash dividends paid:	
Preferred stock, \$6 per share	15
Common stock, \$2 per share	27,04
By acquired company prior to pooling	5,22
Cancellation of treasury stock by acquired company prior to pooling	15
Earnings, less dividends of pooled companies for portion of fiscal year included in 1968 and 1967	<u>3,70</u>
	<u>36,31</u>
Earnings retained for use in the business at end of year	<u><u>\$ 327,61</u></u>



CHANGES IN COMMON STOCK AND CAPITAL
IN EXCESS OF PAR VALUE

	Common Stock Issued, at par value		Capital in Excess of Par Value
	Shares	Amount	Amount
Beginning of year as previously reported	13,569,556	\$27,139,000	\$19,862,000
Adjustments resulting from accounting for 1968 poolings of interests	<u>1,310,758</u>	<u>2,622,000</u>	<u>1,975,000</u>
Beginning of year as restated	14,880,314	29,761,000	21,837,000
Cancellation of treasury stock by acquired company prior to pooling	(2,000)	(4,000)	-
Sales under stock option plan	<u>103,052</u>	<u>206,000</u>	<u>3,715,000</u>
End of year	<u><u>14,981,366</u></u>	<u><u>\$29,963,000</u></u>	<u><u>\$25,552,000</u></u>

DECEMBER 31, 1968

NOTE 1: On December 30, 1968 the shareowners authorized the merger of Torrington Company into Ingersoll-Rand Company. Consequently, when the Agreement of Merger was filed in the appropriate State offices on January 2, 1969, the outstanding capital stock of The Torrington Company was converted into 1,308,758 shares of authorized but previously unissued common stock, 3,271,895 shares of newly authorized preference stock, \$2.35 convertible. This transaction has been accounted for as a pooling of interests. Accordingly, the accompanying consolidated financial statements include the accounts of Torrington for the year 1968.

During the year 1968, 14,546 shares of treasury stock (common) were issued to acquire the business of two small distributors in poolings of interests.

The consolidated financial statements include the accounts of all Ingersoll-Rand's domestic and foreign subsidiaries except three small domestic subsidiaries and Ingersoll-Rand Financial Corporation (the investments in these four subsidiaries are carried at underlying book values) and two subsidiaries in Brazil and Colombia.

NOTE 2: In approving the Agreement of Merger with The Torrington Company which became effective January 2, 1969 the shareowners approved an amendment to the company's certificate of incorporation which (a) decreased the authorized preferred stock, \$100 par value, from 50,000 to 25,255 shares; (b) increased the authorized common stock, \$2 par value, from 1,000,000 to 30,000,000 shares; (c) authorized 10,000 shares of a new class of preference stock, without par value, issuable in series; and (d) created a series of such preference stock, consisting of 3,271,895 shares designated "preference stock, \$2.35 convertible series".

The holders of \$2.35 preference stock are entitled to receive dividends when and as declared at the rate of \$2.35 per year per share payable quarterly and cumulative from and after January 10, 1969 and upon any liquidation entitled to \$47.50 per share if it is voluntary and \$20.00 per share (\$65,438,000 in the aggregate) if it is involuntary together, in either case with any accrued and unpaid dividends. The shares of \$2.35 preference stock are redeemable after January 2, 1974 at a redemption price of \$47.50 per share together with any accrued and unpaid dividends and each share may be converted at any time into 6/10ths of a share of common stock, without adjustment of dividends. As of December 31, 1968 the equivalent of 3,271,895 shares of \$2.35 preference stock were deemed to have been outstanding on a pro-forma basis.

The Company's equity at December 31, 1968 in the net assets of its consolidated subsidiary companies was \$42,477,000 greater than the carrying value of its investments therein. In consolidation \$44,628,000 was added to retained earnings and \$2,151,000 was added to property, plant and equipment.

NOTE 3: The inventories at December 31, 1968 and December 31, 1967 used in the computation of cost of goods sold are summarized as follows:

	December 31,	
	1968	
Raw materials and supplies	\$ 24,385,000	\$ 23,78
Work in process	71,378,000	65,25
Finished goods	<u>156,781,000</u>	<u>133,97</u>
	<u>\$252,544,000</u>	<u>\$223,00</u>

Inventories are valued at the lower of cost less allowances for obsolescence, principally on the first-in, first-out basis, or market.

domestic subsidiaries over the estimated useful lives of the assets generally follows the sum of the years-digits method for assets acquired subsequent to December 31, 1953 and the straight-line method for other assets. Also, for those assets which qualify, the Company uses for both book and income tax purposes the "guideline" procedures prescribed by the Internal Revenue Service. The Company's foreign subsidiaries generally follow the straight-line method; however, other methods which provide higher charges in early years of asset life are used by some of these companies. In almost all instances, depreciation provided by charges to income is credited to reserves although, to a minor extent, depreciation is credited directly to the related asset account.

In view of the variations of useful lives of fixed assets in the countries where the companies operate it is not considered practicable to list all of the numerous individual rates of depreciation herein. The rates used in the United States where the majority of the properties are located are based on the use of the following estimated lives: buildings, 30 to 40 years; machinery and equipment, 12 years; furniture and fixtures, 10 years.

Except as explained below, as properties are retired or otherwise disposed of, property, plant and equipment accounts and the related reserve accounts are relieved of the cost and accumulated depreciation thereon, respectively. The resulting profit or loss after any salvage or other realization is charged or credited to income. No gain or loss is recognized for assets traded in on the purchase of new assets; in lieu thereof the cost basis of the acquired asset is adjusted. Fully depreciated property, plant and equipment is retired from both the asset and reserve accounts, although such items have not necessarily been removed from operation. The policy with respect to retirements of furniture and fixtures is to make no entries in the accounts until the assets have completed their estimated useful life, when they are eliminated from both the asset and related reserve accounts.

Ordinary repairs and maintenance are charged to income. Renewals and betterments, insofar as they represent replacements of assets written off, are charged as additions to capital assets.

NOTE 6: No additional options may be granted under the Company's 1958 stock option plan approved by the shareowners in April 1958. The directors have adopted a new plan which has been submitted to the shareowners of approval. Under the 1958 plan options could have been granted to executives to purchase no more than 540,000 shares of common stock in the aggregate at a price not less than 95% of the fair market value on the date the option is granted; such price was amended to 100% of the fair market value on options granted subsequent to December 31, 1963. The options granted prior to December 31, 1963 must be exercised within ten years after the date of grant and those granted subsequent to December 31, 1963 must be exercised within five years of grant. Options are exercisable after eighteen months from date of grant. No options became exercisable during 1968.

Options outstanding at December 31, 1968 to purchase 202,300 shares of common stock, together with option price and fair market value at date of grant, are shown below:

<u>Date granted</u>	<u>Number of shares</u>	<u>Option Price</u>		<u>Fair Market Value</u>	
		<u>Per share</u>	<u>Total</u>	<u>Per Share</u>	<u>Total</u>
July 9, 1959	11,000	\$47.50	\$ 522,500	\$50.00	\$ 550,000
January 20, 1964	4,800	40.75	195,600	40.75	195,600
April 1, 1966	27,000	48.50	1,309,500	48.50	1,309,500
December 6, 1967	<u>154,500</u>	<u>42.75</u>	<u>6,618,625</u>	<u>42.75</u>	<u>6,618,625</u>
	202,300		\$8,846,225		\$8,873,725
	<u>=====</u>		<u>=====</u>		<u>=====</u>

(\$825,750) were cancelled during the year.

During the year, \$3,715,000 representing the excess of proceeds over par value of common stock issued upon the exercise of options, was credited to capital in excess of par value. No charge to income was made upon the exercise of stock options.

NOTE 7: The Company and several of its subsidiaries have pension plans covering substantially all of their employees, including some employees in foreign countries. It is the policy of the Company and certain of its subsidiaries to fund current costs and prior service costs (amortized over periods not exceeding 25 years) as accrued. In 1968 total pension costs accrued amounted to \$6,040,000. The estimated liability, as determined by an independent consulting actuary, for unfunded past service benefits under the Company's non-vested plans approximated \$22,500,000 at December 31, 1968.

NOTE 8: Supplementary profit and loss information:

	Charge	Direct
	Profit	and Loss
	Cost of	
	goods sold	
Maintenance and repairs (1)	<u>\$12,400,000</u>	<u>\$</u>
Depreciation and amortization charges	<u>\$19,749,000</u>	<u>\$2,</u>
Taxes (other than U.S. federal and foreign income taxes):		
Employees' social security taxes	\$ 7,312,000	\$3,
Real estate taxes	2,724,000	
Franchise taxes		
Miscellaneous	<u>758,000</u>	<u></u>
	<u>\$10,794,000</u>	<u>\$4,</u>
Rents and royalties	<u>\$ 936,000</u>	<u>\$2,</u>

(1) The companies' accounting systems do not, in most cases, provide separate accounts for maintenance and repairs in all departments; the above amounts are, therefore, based upon estimates.

NOTE 9: Long-term debt includes \$50,000,000 of 4.75% notes of the company due 1973-1991, \$10,000,000 of 6.5% notes of a pooled company due 1970-1979 and the sterling equivalent of \$12,000,000 of 8% notes of a Kingdom subsidiary due in 1993. The remaining balance of long-term debt consists of loans and notes of subsidiaries maturing in various amounts through 1979. In 1968 other charges are substantially interest expense.

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<u>Additions at cost</u>	<u>Retire- ments or sales</u>	<u>Pully depre- ciated assets</u>	<u>Depre- ciation credited to assets</u>	<u>Balance at close of year</u>
1,187,622	76,880	-	-	7,831,920
9,778,643	139,789	26,835	16,741	68,435,456
88,433,298	4,346,206	1,190,410	78,973	186,877,268
1,307,707	129,690	30,237	15,009	11,359,064
2,617,146	1,751,346	-	4,734	7,889,592
7,036	2,889	-	-	60,056
93,331,452	\$ 6,446,800	\$ 1,247,482	\$ 115,457	\$ 282,453,356

SCHEDULE V

Charged to profit and loss	Deductions from reserves		Balance at close of year
	Retire- ments or sales	fully depre- ciated assets	
2,572,651	168,241	26,835	23,570,348
16,618,536	3,713,776	1,190,410	103,091,545
947,377	88,562	30,237	6,556,111
1,676,204	1,235,444	-	4,455,319
5,267	1,107	-	42,945
\$ 21,820,035 (A)	\$ 5,207,130	\$ 1,247,482	\$ 1,37,716,268
\$ 21,820,035			
115,457			
<u>\$ 21,935,492</u>			

SCHEDULE VI

1969



DISCLOSURE

EASCO SYSTEMS & RESEARCH CORPORATION

833 RUGBY AVE. BETHESDA, MARYLAND

MAY - 1 1970

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1969 Commission file number 1-

INGERSOLL - RAND COMPANY

(Incorporated in New Jersey)

I. R. S. Employer Identification No. 13-5156640

11 Broadway, New York, N. Y. 10004

Securities registered pursuant to Section 12 (b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Preferred stock of \$100 par value (6% cumulative)	Unlisted
Preference stock without par value (\$2.35 convertible)	New York Stock Exchange
Common stock of \$2 par value	New York Stock Exchange

MAY 11 1970

Note: there are approximately 12,000 stockholders owning both preference and common stock.

Item 2. Increases and decreases in outstanding equity securities for the year ended December 31, 1969:

	<u>Preference</u>	<u>Common Stock</u>	
	<u>Stock Shares</u>	<u>Number of Shares Issued</u>	<u>Less Shares Held in Treasury</u> <u>Number of Shares Outstanding</u>
Beginning of year	3,271,895	14,981,366	90,310 14,891,056
January-Shares exercised under stock option plan		1,000	1,000
October-Issuance of treasury shares to effect pooling of interests with the Jenmar Estates			(69,319) 69,319
October-Issuance of previously unissued shares to effect pooling of interests with the FM Hill Machine Company		40,000	40,000
June and December-Conversion of preference shares to common shares	(530)	318	318
End of year	3,271,365	15,022,684	20,991 15,001,693

Item 3. Subsidiaries of registrant:

Ingersoll-Rand Company (New Jersey) registrant and parent company

Subsidiaries of registrant:-

The following is a list of subsidiaries of the registrant all of which are deemed to be 100% owned, directly or indirectly, and whose financial statements are included in the consolidated statements:

Athens Foundry Corporation (Pennsylvania)

Improved Machinery, Inc. (Delaware)

Frank M. Hill Machine Company (Massachusetts)

IMPCO Plastic Machinery Limited (Canada)

Sherbrooke Machineries, Limited (Canada)

I-R Equipment Corporation (Delaware)

Ingersoll-Rand Research, Inc. (Delaware)

Ingersoll-Rand Western Hemisphere Trade Corporation (Delaware)

Jenmar Estates, Inc.

Lawrence Manufacturing Company (Delaware)

Lee-Norse Company (Delaware)

McCartney Manufacturing Company, Inc. (Kansas)

Millers Falls Company (Massachusetts)

Millers Falls of Canada Ltd. (Canada)

Union Tool Company (Massachusetts)

The Torrington Company (Pennsylvania)
 The Torrington Company, Inc. (New York)
 The Torrington Company (North Carolina)
 The Torrington Company (Michigan)
 The Torrington Company (Missouri)
 The Torrington Company (California)
 The Torrington Company of Connecticut (Connecticut)
 Thomaston Special Products, Inc. (Connecticut)
 The Torrington Company Limited (Canada)
 Torrington - Magus, S. A. (Brazil)
 The Torrington Company Limited (England)
 Torrington GmbH (Germany)
 Torrington S. p. A. (Italy)
 Torrington Sales Limited (Switzerland)
 Englico, S. A. (Belgium)
 Torrington Espanola, S. A. (Spain)
 Torrington France S. A. R. L. (France)
 Torrington Portuguesa S. A. R. L. (Portugal)
 Canadian Ingersoll-Rand Company, Limited (Canada)
 Sherbrooke Pneumatic Tool Co. Limited (Canada)
 Ingersoll-Rand World Trade Limited (Bermuda)
 Ingersoll-Rand Aktiebolag (Sweden)
 Ingersoll-Rand Italiana S. p. A. (Italy)
 Ingersoll-Rand de Colombia S. A. (Colombia)
 Ingersoll-Rand Ges. m. b. H., Vienna (Austria)
 (30% owned by Athens Foundry Corporation)
 Ingersoll-Rand S. A., Fribourg (Switzerland)
 Ingersoll-Rand G. m. b. H. (Germany)
 Ingersoll-Rand S. A. Industria E Comercio (Brazil)
 Ingersoll-Rand (Australia) Proprietary Limited (Australia)
 Ingersoll-Rand Malaysia Limited (Malaysia)
 Ingersoll-Rand Benelux S. A. (Belgium)
 Ingersoll-Rand A/S - Copenhagen (Denmark)
 Ingersoll-Rand Company Limited (England)
 Ingersoll-Rand Hire Limited (England)
 Ingersoll-Rand Company (Ireland) Limited (Ireland)
 Ingersoll-Rand (NZ) Limited (New Zealand)
 Compagnie Ingersoll-Rand S. A. - Paris (France)
 Ingersoll-Rand (India) Private Limited (India)
 Ingersoll-Rand Japan, Ltd. (Japan)
 Ingersoll-Rand de Mexico, S. A. (Mexico)
 Ingersoll-Rand Company of Peru S. A. (Peru)
 Ingersoll-Rand Philippines, Inc. (Philippines)
 Ingersoll-Rand de Puerto Rico, Inc. (Puerto Rico)
 Ingersoll-Rand Limitada (Portugal)
 Compania Ingersoll-Rand S. A. - Madrid (Spain)
 Ingersoll-Rand Company South Africa (Proprietary) Limited
 (South Africa)
 Ingersoll-Rand de Venezuela, S. A. (Venezuela)
 Ingersoll-Rand Limited (Zambia)

Note: There are omitted from the foregoing list of names four domestic subsidiaries not included in the consolidated financial statements. The four subsidiaries, considered in the aggregate as a single subsidiary, do not constitute a significant subsidiary.

Item 10. Financial statements and exhibits:

- (a) Financial statements. See index included with accompanying financial statements.
- (b) Exhibits. None.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

INGERSOLL-RAND COMPANY

(Registrant)

Date April 28, 1970

By 
F. J. McFadden
Comptroller

OPINION OF INDEPENDENT ACCOUNTANTS

To the Shareowners of
Ingersoll-Rand Company

In our opinion, the statements listed in the accompanying index of this report present fairly the financial position of Ingersoll-Rand Company and its consolidated subsidiaries at December 31, 1969 and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

Price Waterhouse & Co.

Consolidate balance sheet, December 31, 1969

**Consolidated statement of income for the year ended
December 31, 1969**

**Consolidated statement of retained earnings for the year
ended December 31, 1969**

**Consolidated statement of changes in common stock and
capital in excess of par value for the year ended
December 31, 1969**

Notes to consolidated financial statements, December 31, 1969

Schedules:

- V - Property, plant and equipment**
- VI - Reserves for depreciation and amortization**

Omitted Schedules and statements and reasons for omission:

All other schedules have been omitted because they are not applicable or the required information is shown in the financial statements or the notes thereto.

Individual financial statements of the registrant have been omitted because the registrant is primarily an operating company and all subsidiaries included in the consolidated financial statements are deemed to be totally held subsidiaries. Long-term debt of subsidiaries amounting to \$13,621,000 not guaranteed by the registrant amounts to 2.0% of the total consolidated assets.

Separate financial statements of nonconsolidated subsidiaries, have been omitted since, considered in the aggregate as a single subsidiary, they do not constitute a significant subsidiary.

Marketable securities, at cost which approximates market value			4,014,000
Trade accounts receivable	\$ 164,792,000		
Trade notes receivable	34,356,000		
Sundry accounts receivable	<u>5,383,000</u>		
	204,531,000		
Less - Allowance for doubtful accounts (Note 4)	<u>3,151,000</u>		
Inventories, at the lower of cost or market (Note 3)			<u>261,380,000</u>
			<u>286,640,000</u>
Total current assets			\$ 509,20
Investments:			
Securities of subsidiaries not consolidated (Note 1)		1,917,000	
Due from subsidiaries not consolidated		503,000	
Other, at cost, including 20,991 treasury shares acquired for specific purpose		<u>3,013,000</u>	
			5,43
Property, plant and equipment, at cost (Schedules V and VI):			
Buildings and distribution systems		78,961,000	
Machinery, equipment, etc.		<u>231,512,000</u>	
		310,473,000	
Less - Accumulated depreciation (Note 5)		<u>151,073,000</u>	
		159,400,000	
Land		<u>8,760,000</u>	
			168,160
Deferred charges			<u>7,160</u>
			\$ 689,960
Liabilities			
Current Liabilities:			
Loans payable, banks	\$ 61,021,000		
Accounts payable, trade	42,635,000		
Notes payable, trade	932,000		
Customers' advance payments on orders	5,715,000		
U.S. federal and foreign taxes on income	28,579,000		
Accrued taxes other than income	8,721,000		
Accrued payrolls	9,328,000		
Dividend on preferred stock payable January 2, 1970	76,000		
Dividend on preference stock payable January 12, 1970	1,922,000		
Other current liabilities	<u>24,711,000</u>		
Total current liabilities			\$ 183,640
Long-term debt (Note 9)			84,054
Pension reserves of subsidiaries (Note 7)			4,054
Capital stock: -			
Preferred stock (6% cumulative):			
Authorized and issued-25,255 shares \$100 par value	2,525,000		
Preference stock (Note 2)			
Authorized-10,000,000 shares, without par value			
Issued-3,271,365 shares, \$2.35 Convertible Series	5,561,000		
Common stock (Note 6)			
Authorized-30,000,000 shares \$2 par value			
Issued-15,022,684 shares	<u>30,046,000</u>		
			38,132
Capital in excess of par value per annexed statement			25,591
Earnings retained for use in the business, per annexed statement			<u>354,491</u>
			\$ 689,962

Net Sales	\$ 711,193,000
Cost of Goods sold (Note 3)	447,115,000
Administrative and service engineering expenses	<u>123,579,000</u>
Operating income	140,499,000
Other income, including interest income of approximately \$2,900,000	2,901,000
Other charges, - interest expense	<u>8,966,000</u>
Earnings before income taxes	134,434,000
Provision for income taxes:	
U.S. Federal	53,458,000
Foreign and other	<u>14,542,000</u>
Net earnings for the year	<u>\$ 66,434,000</u>
Net earnings per share of common stock (Note 10)	\$3.91

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1969

Earnings retained for use in the business at beginning of year as previously reported	\$ 327,641,000
Adjustments resulting from accounting for 1969 poolings of interests	<u>(1,871,000)</u>
Earnings retained for use in the business at beginning of year as restated	325,770,000
Net earnings for the year	<u>66,434,000</u>
	<u>392,204,000</u>
Cash dividends paid:	
Preferred stock, \$6 per share	152,000
Preference stock, \$2.35 per share	7,688,000
Common stock, \$2 per share	29,839,000
By acquired company prior to pooling	<u>34,000</u>
	<u>37,713,000</u>
Earnings retained for use in the business at end of year	<u>\$ 354,491,000</u>

	Common Stock Issued, at par value		Capital Exce of Par V
	<u>Shares</u>	<u>Amount</u>	<u>Am</u>
Beginning of year as previously reported	14,981,366	\$ 29,963,000	\$ 25,55
Adjustments resulting from accounting for 1969 poolings of interests	<u>40,000</u>	<u>80,000</u>	<u>-</u>
Beginning of year as restated	15,021,366	30,043,000	25,55
Conversion of 530 preference shares to common shares	318	1,000	-
Sales under stock option plan	<u>1,000</u>	<u>2,000</u>	<u>3</u>
End of year	<u>15,022,684</u>	<u>\$ 30,046,000</u>	<u>\$ 25,55</u>

NOTE 1 - The consolidated financial statements include the accounts of all Ingersoll-Rand's subsidiaries except four small domestic ones, in which the investments are carried at underlying book values. The accounts of two small foreign subsidiaries, previously not consolidated, are included in the consolidated financial statements.

During the year 1969, 40,000 shares of authorized but previously unissued common stock and 69,319 shares of treasury stock (common) were issued to acquire the business of two small companies in poolings of interests.

Foreign currencies have been generally translated into U.S. dollars at the respective end-of-period rates of exchange for net current assets, average rates for income and expense, and at rates of exchange prevailing at dates of acquisition for noncurrent assets and depreciation.

The Company's equity at December 31, 1969 in the net assets of its consolidated subsidiary companies was \$53,802,000 greater than the carrying value of its investments therein. In consolidation \$56,415,000 was added to retained earnings and \$2,613,000 was added to property, plant and equipment.

NOTE 2 - The holders of \$2.35 preference stock are entitled to receive dividends when and as declared at the rate of \$2.35 per year per share payable quarterly that are cumulative and upon any liquidation are entitled to \$47.50 per share if it is voluntary and \$20.00 per share (\$65,427,000 in the aggregate) if it is involuntary together, in either case, with any accrued and unpaid dividends. The shares of \$2.35 preference stock are redeemable after January 2, 1974 at a redemption price of \$47.50 per share together with any accrued and unpaid dividends and each share may be converted at any time into 6/10ths of a share of common stock, without adjustment for accrued dividends. The aggregate preference on involuntary liquidation of \$65,427,000 is \$59,866,000 in excess of the stated value of \$5,561,000, which excess represents a restriction on retained earnings.

NOTE 3 - The inventories at December 31, 1969 and December 31, 1968 used in the computation of cost of goods sold are summarized as follows:

	December 31,	
	1969	1968
Raw materials and supplies	\$ 27,962,000	\$ 24,385,000
Work in process	82,742,000	71,378,000
Finished goods	<u>175,936,000</u>	<u>157,622,000</u>
	<u>\$286,640,000</u>	<u>\$253,385,000</u>

Inventories are valued at the lower of cost less allowances for obsolescence, principally on the first-in, first-out basis, or market

NOTE 4 - The allowance for doubtful accounts was increased during 1969 by \$585,000 representing the excess of the provision of \$1,638,000 over \$1,053,000 uncollectible accounts written off during the year.

In view of the variations of useful lives of fixed assets in the countries where the companies operate it is not considered practicable to list all of the numerous individual rates of depreciation herein. The rates used in the United States where the majority of the properties are located are based on the use of the following estimated lives: buildings, 30 to 40 years; machinery and equipment, 12 years; furniture and fixtures, 10 years.

Except as explained below, as properties are retired or otherwise disposed of, property, plant and equipment accounts and the related reserve accounts are relieved of the cost and accumulated depreciation thereon, respectively. The resulting profit or loss after any salvage or other realization is charged or credited to income. No gain or loss is recognized for assets traded in on the purchase of new assets; in lieu thereof the cost basis of the acquired asset is adjusted. Fully depreciated property, plant and equipment is retired from both the asset and reserve accounts, although such items have not necessarily been removed from operation. The policy with respect to retirements of furniture and fixtures is to make no entries in the accounts until the assets have completed their estimated useful life, when they are eliminated from both the asset and related reserve accounts.

Ordinary repairs and maintenance are charged to income. Renewals and betterments, insofar as they represent replacements of assets written off, are charged as additions to capital assets.

NOTE 6 - Under the company's 1958 stock option plan, outstanding options are exercisable after eighteen months from date of grant and may not be exercised later than five years from date of grant; no more options may be granted under this plan. Of the 202,300 shares under option at the beginning of the year, 1,000 shares were issued upon exercise at an aggregate option price of \$40,750 of which \$38,750 was credited to capital in excess of par value and options for 16,800 shares were cancelled. The remaining 184,500 options outstanding at December 31, 1969 are exercisable at prices ranging from \$42.75 to \$48.50 per share.

Under the 1969 plan, approved by shareholders April 24, 1969, options may be granted to purchase no more than 400,000 shares of common stock at a price not less than fair market value on the date the option is granted. The options granted under this plan are exercisable one year from date of grant and may not be exercised later than five years from date of grant. In June 1969, options on 104,000 shares were granted at an option price of \$45.50 per share. An option for 2,000 of these shares was cancelled during the year leaving options for 101,000 shares outstanding at December 31, 1969.

Options which became exercisable under the 1958 plan during the year, together with option price at date granted and fair market value at date exercisable, are as follows:

<u>Date granted</u>	<u>Number of shares</u>	<u>Option price</u>		<u>Fair market value</u>	
		<u>Per Share</u>	<u>Total</u>	<u>Per Share</u>	<u>Total</u>
Dec. 6, 1967	<u>157,500</u>	\$42.75	<u>\$6,733,125</u>	\$44.875	<u>\$7,067,813</u>

Options outstanding at December 31, 1969 together with option price and fair market value at date of grant, are shown as follows:

Dec. 6, 1967	<u>157,500</u>	42.75	<u>6,733,125</u>	42.75	<u>6,733,125</u>
	<u>184,500</u>		<u>\$8,042,625</u>		<u>\$8,042,625</u>

1969 Plan

June 1969	<u>101,000</u>	45.50	<u>4,595,500</u>	45.50	<u>4,595,500</u>
Total	<u>285,500</u>		<u>\$ 12,638,125</u>		<u>\$ 12,638,125</u>

The option exercised during the year for 1,000 shares was granted in January 1964 at an option price of \$40.75 per share (\$40,750) and had a fair market value of \$51.375 per share (\$51,375) on the date exercised.

Options on 16,800 shares under the 1958 plan having an option price of \$40.75 to \$47.50 (\$762,850) and 3,000 shares under the 1969 plan having an option price of \$45.50 (\$136,500) were cancelled during the year.

NOTE 7 - The Company and several of its subsidiaries have pension plans covering substantially all of their employees, including some employees in foreign countries. It is the policy of the Company and certain of its subsidiaries to fund current costs and prior service costs (amortized over periods not exceeding 25 years) as accrued. In 1969 total pension costs accrued amounted to \$5,550,000. The estimated liability, as determined by an independent consulting actuary, for unfunded past service benefits under the trustee plans approximated \$19,900,000 at December 31, 1969.

NOTE 8 - Supplementary profit and loss information:

	Charged directly to profit and loss	
	Cost of goods sold	Other
Maintenance and repairs	<u>\$ 10,658,000</u>	<u>\$ 581,000</u>
Depreciation and amortization charges	<u>\$ 21,902,000</u>	<u>\$ 2,364,000</u>
Taxes other than income taxes:		
Employees' social security taxes	\$ 9,207,000	\$ 3,610,000
Real estate & personal property taxes	2,599,000	910,000
Franchise taxes	-	476,000
Miscellaneous	<u>528,000</u>	<u>413,000</u>
	<u>\$ 12,334,000</u>	<u>\$ 5,409,000</u>
Rents and royalties	<u>\$ 800,000</u>	<u>\$3,201,000</u>

The indebtedness on the 4.75% notes of the parent company and 6.5% notes of a domestic subsidiary, to be retired by payments within five years subsequent to December 31, 1969 amounts to \$1,000,000 per year 1971 and 1972 and \$3,000,000 in 1973 to 1975 inclusive.

NOTE 10 - Net earnings per share of common stock are based on the average number of common shares outstanding during each year, after retroactive adjustments for companies acquired in 1969 and treated as poolings of interests, after recognition of the preferred stock dividend (\$6.00 per share) and after recognition of the annual dividend requirements (\$2.35 per share) of preference stock, \$2.35 convertible series. Earnings per share of common stock on a diluted basis, recognizing the convertibility of the preference stock and employee stock options outstanding, would be unchanged from those reported on a primary basis.

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AND COMPANY

ED SUBSIDIARIES

NT AND EQUIPMENT
ED DECEMBER 31, 1969

ADDITIONS AT COST	RETIREMENTS OR SALES	DEPRECIATION CREDITED TO ASSETS	BALANCE AT CLOSE OF YEAR
\$ 572, 000	\$ 222, 000		\$8, 760, 000
11, 950, 000	1, 695, 000	\$ 16, 000	78, 960, 000
31, 146, 000	9, 422, 000	79, 000	209, 829, 000
2, 168, 000	284, 000	15, 000	13, 303, 000
2, 038, 000	1, 666, 000	5, 000	8, 328, 000
-	7, 000	-	53, 000
\$47, 874, 000	\$13, 296, 000	\$115, 000	\$319, 233, 000

SCHEDULE V

- RAND COMPANY

ATED SUBSIDIARIES

ECIATION AND AMOR TIZATION
NDED DECEMBER 31, 1969

CHARGED TO PROFIT AND LOSS	RETIREMENTS OR SALES	BALANCE AT CLOSE OF YEAR
\$ 3, 529, 000	\$ 1, 300, 000	\$ 25, 917, 000
17, 808, 000	8, 930, 000	112, 692, 000
1, 082, 000	267, 000	7, 412, 000
1, 730, 000	1, 202, 000	5, 008, 000
2, 000	1, 000	44, 000
\$ 24, 151, 000 (A)	\$ 11, 700, 000	\$ 151, 073, 000

\$ 24, 151, 000

115, 000

\$ 24, 266, 000

END

SCHEDULE VI

EXHIBIT D

INGERSOLL-RAND

ASBESTOS CLAIMS

MONTHLY REPORT

MAY 2007

	Pending on 12/31/06	For Month of MAY 2007		Year to Date in 2007		PENDING AT END OF MONTH
		NEW	RESOLVED	TOTAL NEW	TOTAL RESOLVED	
AL	920	0	0	28	29	919
AR	1,564	0	0	120	24	1,660
AZ	31	0	0	0	0	31
CA	441	40	44	133	150	424
CT	113	0	0	15	6	122
DE	167	22	2	232	35	364
FL	6,112	94	100	554	602	6,064
GA	1,158	0	0	76	11	1,223
HI	18	0	1	11	12	17
IA	3	0	0	0	0	3
IL	1,200	36	27	227	369	1,058
IN	235	1	2	16	11	240
KS	1	0	0	0	0	1
KY	4	0	0	0	0	4
LA	5,057	3	9	16	88	4,985
MD	1,982	23	1	255	29	2,208
MA/NH/RI/ME	737	5	8	91	45	783
MI	2,284	54	22	344	322	2,306
MN	33	1	1	2	1	34
MS	28,621	1	0	25	1	28,645
MO	434	12	5	36	99	371
MT & ID	60	0	0	5	0	65
NV	5	0	0	0	0	5
NJ	284	12	1	53	32	305
NM	4	0	0	1	0	5
NY	19,309	32	3	188	39	19,458
NC	84	0	0	14	0	98
ND	225	0	61	5	61	169
OH	6,517	7	3	98	43	6,572
OK	166	0	1	1	2	165
OR	8	0	0	1	0	9
PA	464	7	1	91	22	533
PR	0	0	0	0	0	0
SC	104	1	0	11	1	114
SD	5	0	2	0	2	3
TN	38	0	0	2	1	39
TX	22,173	198	86	374	475	22,072
UT	35	0	0	0	0	35
VA	23	4	1	14	6	31
VI	17	0	0	5	0	22
WA	123	2	1	27	37	113
WV	1,227	0	2	21	11	1,237
WI	1	0	0	0	0	1
Total	101,987	555	384	3,092	2,566	102,513